Table 8
Alaska Hours and Earnings for Selected Industries [1/2]

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	P/ 10/87	R/ 9/87	10/86	P/ 10/87	R/ 9/87	10/86	P/ 10/87	R/ 9/87	10/86
Mining	1,107.04	1,087.87	1,210.61	48.3	48.2	50.4	22.92	22.57	24.02
Construction	1,002.26	964.79	1,234.53	40.3	38.7	47.3	24.87	24.93	26.10
Manufacturing	518.40	495.67	512.47	40.0	40.2	41.8	12.96	12.33	12.26
Food & Kindred Prod	295.59	357.12	295.14	35.4	38.4	33.5	8.35	9.30	8.81
Lumber & Paper Prod	749.13	701.36	742.15	46.3	44.0	57.8	16.18	15.94	12.84
Trans., Comm. & Util.	545.01	547.56	550.37	36.8	36.7	36.4	14.81	14.92	15.12
Trade	360.65	365.78	387.89	33.8	33.9	33.7	10.67	10.79	11.51
Wholesale	515.26	520.52	535.81	38.8	38.7	36.8	13.28	13.45	14.56
Retail	308.80	313.63	339.10	32.1	32.3	32.7	9.62	9.71	10.37
Finance Ins. & R.E.	385.26	382.28	386.12	32.9	33.3	34.2	11.71	11.48	11.29

Benchmark March 1986

[1] Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor
[2] excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Table 9
Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate			Employment		
	P/ 10/87	R/ 9/87	10/86	P/ 10/87	R/ 9/87	10/86	P/ 10/87	R/ 9/87	10/86	P/ 10/87	R/ 9/87	10/86
Alaska Statewide	248,310	253,342	253,653	22,588	21,870	25,342	9.1	8.6	10.0	225,722	231,472	228,311
Anch.-MatSu Region	131,328	132,698	135,953	10,787	10,690	11,929	8.2	8.1	8.8	120,541	122,008	124,024
Anchorage Borough	116,604	117,808	120,251	8,316	8,354	9,452	7.1	7.1	7.9	108,288	109,454	110,799
MatSu Borough	14,724	14,890	15,702	2,471	2,336	2,477	16.8	15.7	15.8	12,253	12,554	13,225
Gulf Coast Region	26,398	27,048	26,526	3,148	2,781	3,690	11.9	10.3	13.9	23,250	24,267	22,836
Kenai Peninsula Bor	16,385	16,692	16,464	2,513	2,213	2,839	15.3	13.3	17.2	13,872	14,479	13,625
Kodiak Island Bor	6,072	6,310	6,101	278	263	410	4.6	4.2	6.7	5,794	6,047	5,691
Valdez-Cordova	3,941	4,046	3,961	357	305	441	9.1	7.5	11.1	3,584	3,741	3,520
Interior Region	37,061	38,600	39,276	4,530	4,286	4,958	12.0	11.1	12.6	33,331	34,314	34,318
Fairbanks North Star Br	32,746	33,447	33,969	3,805	3,652	4,171	11.6	10.9	12.3	28,941	29,795	29,798
Southeast Fairbanks	2,527	2,254	2,281	284	254	280	12.8	11.3	12.3	1,943	2,000	2,001
Yukon-Koyukuk	2,888	2,899	3,026	441	380	507	15.3	13.1	16.8	2,447	2,519	2,519
Northern Region	7,876	8,057	8,053	555	751	796	7.0	9.3	9.9	7,321	7,306	7,257
Nome	3,017	3,132	3,080	236	356	323	7.8	11.4	10.5	2,781	2,776	2,757
North Slope Borough	2,798	2,812	2,851	104	124	181	3.7	4.4	6.3	2,694	2,688	2,670
Northwest Arctic Bor	2,061	2,113	2,122	215	271	292	10.4	12.8	13.8	1,846	1,842	1,830
Southeast Region	33,130	34,521	33,262	2,622	2,419	3,219	7.9	7.0	9.7	30,508	32,102	30,043
Haines Borough	907	931	914	83	64	103	9.2	6.9	11.3	824	867	811
Juneau Borough	14,370	15,155	14,505	849	927	1,190	5.9	6.1	8.2	13,521	14,228	13,315
Ketchikan Gateway Br	6,680	6,943	6,773	535	477	721	8.0	6.9	10.6	6,145	6,466	6,052
Pr. of Wales-Outer Ktch	2,402	2,497	2,464	320	306	414	13.3	12.3	16.8	2,082	2,191	2,050
Sitka Borough	3,945	4,092	3,878	310	268	299	7.9	6.5	7.7	3,635	3,824	3,579
Skagway-Yakutat-Ang	1,536	1,547	1,498	231	174	213	15.0	11.2	14.2	1,305	1,373	1,285
Wrangell-Petersburg	3,290	3,356	3,230	294	203	279	8.9	6.0	8.6	2,996	3,153	2,951
Southwest Region	11,717	12,418	10,583	946	943	750	8.1	7.6	7.1	10,771	11,475	9,833
Aleutian Islands	2,969	3,175	2,742	112	110	116	3.7	3.5	4.2	2,877	3,065	2,626
Bethel	4,706	5,045	4,237	431	491	335	9.2	9.7	7.9	4,275	4,554	3,902
Bristol Bay Borough	472	467	396	62	30	21	13.1	6.4	5.3	410	437	375
Dillingham	2,071	2,145	1,882	166	116	143	8.0	5.4	7.6	1,905	2,029	1,739
Wade Hampton	1,479	1,586	1,326	175	196	135	11.8	12.4	10.2	1,304	1,390	1,191

P/ Preliminary R/ Revised 1986 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's rural localities have proportionately more of these discouraged workers.

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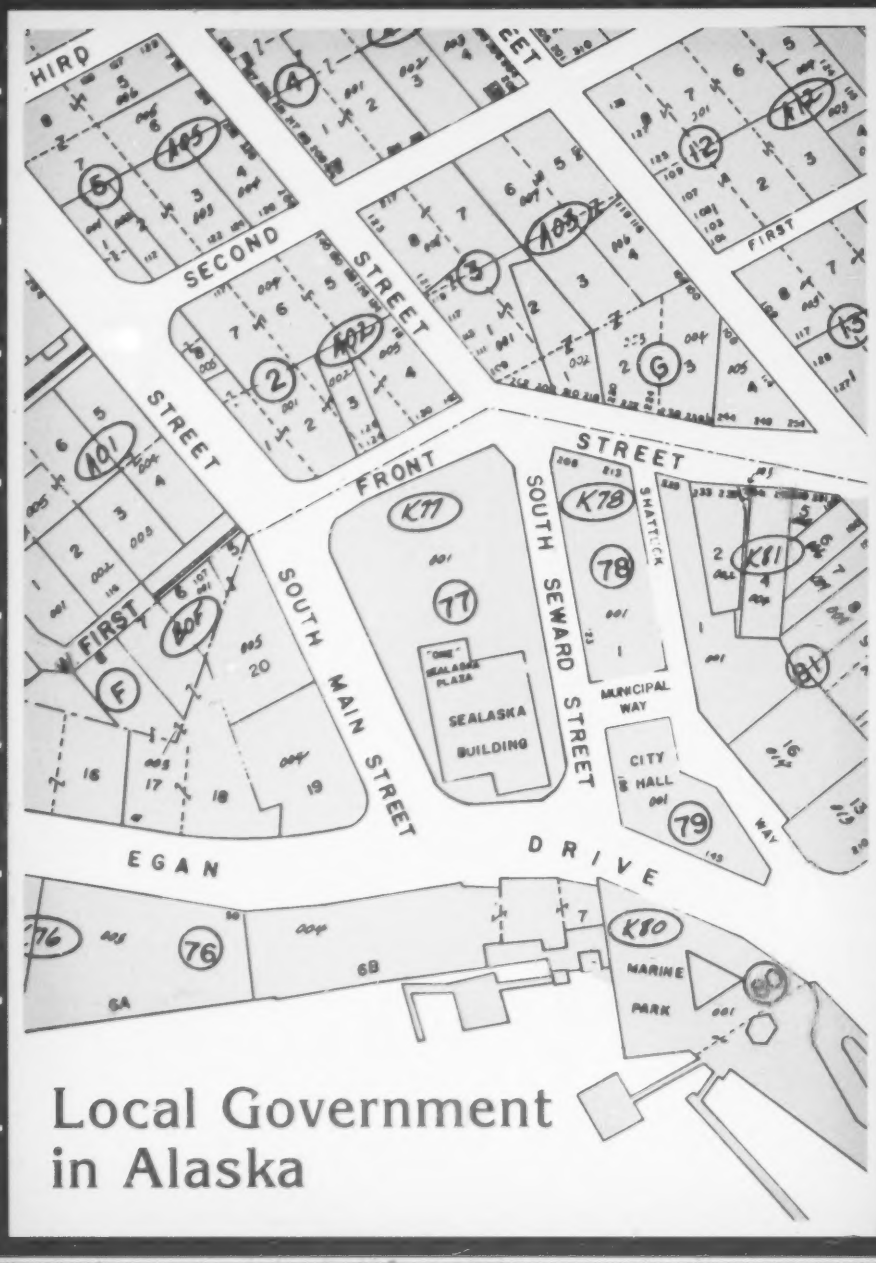

Local Government in Alaska

January 1988

Employment and Earnings in Local Government

Characteristics of Alaska's Unemployed

Alaska's Employment Scene

Alaska Economic Trends

Steve Cowper, Governor, State of Alaska

Jim Sampson, Commissioner
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The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark date March 1986.

P/ Denotes preliminary estimates.
R/ Denotes revised estimates.

Local Government in Alaska

By Neal Fried and Greg Huff

Despite broad based employment losses throughout the economy, it is an unusual specter in Alaska to witness teachers, secretaries, mechanics, and other local government workers receiving pink slips. In the past, local government employment grew pretty much uninterrupted and symbolized the bastion of employment stability and job security. Recent events have brought this to an end.

During the last eighteen months, layoffs of local government employees have become commonplace in many of Alaska's communities. Alaska's two largest communities and dozens of medium and small size cities and villages have all been forced to lay off workers during the past year. While almost all of Alaska's industries have made personnel cutbacks since the recession began in early 1986, cutbacks in local government generally have been smaller than those experienced by other industries.

The fact that layoffs in local government are occurring exemplifies how broad and deep Alaska's recession has been. During past economic downturns, local government has been one of the few industries which provided a buffer to a declining economy but this time it has become a victim.

During past economic downturns, local government has been one of the few industries which provided a buffer to a declining economy.

In this article we will examine local government's employment trends in the 1980s and look at how local government's role in Alaska's local economies may differ from that in other states. For the purpose of the discussion, local government employment includes school districts, village, city and borough governments, and all utilities owned by these local governments. The geographic data is categorized by borough or census area.

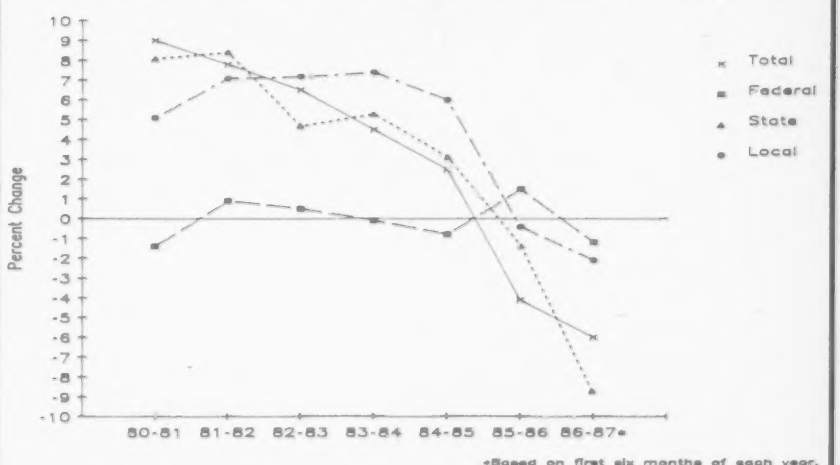
Local Government—The Big Picture

Local government, the largest employer in Alaska, represents 13% of nonagricultural wage and salary employment. Local government employment is three times as large as the state's oil industry work force and significantly larger than both state and federal government. Nationally, local government employs 10% of the work force with its share of total employment shrinking, while in Alaska it has grown from 12% in 1980.

Local government employment was a star performer in Alaska during the early 1980s. From 1980 to 1986 local government grew 37%; adding 7,700 new jobs. Local government employment outperformed Alaska's overall economy by eight percentage points for this time period. It also grew more rapidly than both state and federal government—state government increased by 31% while federal government remained largely unchanged (Figure 1).

Figure 1

Percent Change in Total and Federal, State, and Local Government Employment 1980–1987 in Alaska



Nationally, local government employment has grown only slightly over the period (+1.4%). A deep recession, falling federal revenue share funds, and an unwillingness on the part of the public to carry a heavier tax burden have prevented local government from growing nationally.

Employment in local government in Alaska grew in response to the in-

crease in the population from 1980 through 1985 (119,800 additional residents) and the need to provide more services. The ability to expand employment to meet the service needs of a rapidly increasing population was a result of a sharp increase in state financial assistance in the form of revenue sharing, and municipal assistance which more than tripled from 1980 to 1982 ($38 million to $144 millon), and school foundation monies which grew from $216 million to $345 million (Table 1).

State aid to local governments grew so quickly that communities with a tax base were able to provide additional services without raising taxes. In many cases communities were able to reduce the tax burden on their citizens, however, a growing population and expanding business sector provided an expanded tax base and rising property values helped many communities increase local revenues. Those communities without a tax base, largely in rural parts of the state, were able to provide more services to their population as a result of the additional state support.

The infusion of state aid resulted in local governments becoming more dependent on the state as a source of operating revenues. Eighteen percent of the Municipality of Anchorage's operating budget came from the state in 1977 while state support increased to 23% by 1987. The Fairbanks North Star Borough's dependence on state funds grew from 18% to 37% during

Table 1
Total State Assistance to Local Governments
Operation Budgets
(in Millions)
(State Fiscal Years)

	1980	1981	1982	1983	1984	1985	1986	1987
Noneducation	45	115	151	136	139	151	151	116
Revenue Sharing	27	53	56	56	58	60	60	48
Municipal Assistance	11	57	88	71	71	81	81	66
Shared taxes	7	5	7	9	10	10	10	2
Education	252	308	390	462	482	504	519	426
Foundation Program	216	267	345	415	430	455	474	381
Other Operating Aid	36	41	45	47	52	49	45	45
Total	297	423	541	598	621	655	670	542

Source: Office of Management and Budget, Division of Policy.

Table 2
Local Government Employment by Census Area
1980-1987

	1980	1981	1982	1983	1984	1985	1986	First Half 1986	First Half 1987	Percent Change 1980-1986	Percent Change First Half 1986-1987	Percent of Total 1986
Aleutian Islands	337	379	431	466	530	563	569	604	569	68.7	-5.7	2.0
Anchorage Borough	7,071	7,231	7,290	7,860	7,860	8,520	8,464	9,156	9,467	19.7	3.4	29.6
Bethel	948	1,062	1,237	1,399	1,440	1,551	1,544	1,575	1,631	62.9	3.6	5.4
Bristol Bay Borough	221	248	246	282	369	294	296	352	316	34.1	-10.0	1.0
Dillingham	318	339	413	437	477	501	509	556	520	60.0	-6.5	1.8
Fairbanks North Star Borough	1,937	2,021	2,254	2,308	2,566	2,576	2,553	2,788	2,558	31.8	-8.3	8.9
Haines Borough	124	110	120	113	135	150	167	165	179	35.2	8.0	0.6
Juneau Borough	980	1,065	1,102	1,175	1,323	1,428	1,384	1,488	1,338	41.2	-10.1	4.8
Kenai Peninsula Borough	1,188	1,222	1,347	1,525	1,691	1,870	1,885	1,945	2,088	58.6	7.4	6.6
Ketchikan Gateway Borough	695	776	768	896	919	945	889	941	915	27.9	-2.7	3.1
Kobuk[1]	606	724	905	737	837	901	862	886	707	42.2	-20.2	3.0
Kodiak Island Borough	545	542	533	588	642	650	700	790	619	28.5	-21.6	2.4
MatSu Borough	826	855	919	1,035	1,214	1,391	1,559	1,689	1,559	88.9	-7.7	5.4
Nome	511	575	667	793	968	1,067	987	1,002	983	93.2	-1.9	3.4
North Slope Borough	1,117	1,181	1,284	1,427	1,454	1,402	1,532	1,431	1,689	37.2	18.0	5.4
Prince of Wales-Outer Ketchikan	411	477	452	455	515	654	574	539	465	39.4	-13.7	2.0
Sitka Borough	366	376	373	388	420	440	435	452	422	18.9	6.7	1.5
Skagway-Yakutat-Angoon	311	298	331	348	389	381	376	404	389	20.6	-3.7	1.3
Southeast Fairbanks	224	242	276	257	269	281	278	320	269	24.0	-15.7	1.0
Valdez-Cordova	568	609	651	681	641	670	630	663	646	11.0	-2.5	2.2
Wade Hampton	471	493	593	625	786	830	827	852	789	75.5	-7.4	2.9
Wrangell-Petersburg	399	410	446	446	491	511	524	545	514	31.5	-5.8	1.8
Yukon-Koyukuk	758	754	907	1,009	1,171	1,155	1,080	1,151	1,034	42.6	-10.2	3.8
Total	20,930	21,988	23,547	25,249	27,106	28,730	28,622	30,292	29,666	36.8	-2.1	100.0

[1] Now the Northwest Arctic Borough

this period. The same story was repeated in communities throughout the state. Many rural Alaskan communities which have traditionally been dependent upon federal and state funds for the operation of local government and their school district became less dependent on the federal government and more dependent on the state for support during this period.

Local Government by Area

Local government employment grew in all areas of the state during the 1980-86 period (Table 2). Variation in growth rates of local government employment is a result of many factors including variations in population growth and growth in community owned hospitals and community owned utilities. Juneau, Sitka, and Petersburg have community owned and operated hospitals; Fairbanks and Anchorage have city owned utilities, while Metlakatla (Prince of Wales-Outer Ketchikan Census Area) owns a fish processing plant. Some communities, like Ketchikan, own hospital facilities that are operated by a private contractor. In these cases the employment is counted in the service sector, not local government.

Valdez-Cordova local government employment grew the slowest at 11% while local government employment in the MatSu census area grew by 88% and the Nome area climbed by 93% during this period. Valdez, the largest community in the Valdez-Cordova census area had a substantial increase in local government revenues as a result of Valdez being the terminus of the Trans Alaska Pipeline. Valdez local government employment expanded rapidly upon completion of the pipeline in 1977 so there was less need for expansion by 1980. Oil property taxes allowed Valdez to increase local government employment before the State's increased revenue sharing programs became effective.

From 1980 to 1985 the Matanuska-Susitna Borough was the fastest growing county or equivalent in the United States. The increase in local government employment was to provide basic service to its increased residents. Other communities grew rapidly because they finally had adequate funding for badly needed services, especially water and sewage treatment.

Rural areas that lacked an adequate tax base to support local government services were able to provide needed basic services with increased state support. In a number of communities local government was one of the few industries providing economic stimulus to an otherwise sluggish economy. This is especially true in the rural part of the state where unemployment rates seriously understate economic conditions. In addition to being a source of employment growth, local government was the single largest employer. Many local school districts and local governments were almost entirely dependent on the state for revenues to operate as little or no local tax base exists.

In eight sparsely populated census areas local government employment represents 25% or more of the area's total employment. Local government represents 61% of all employment in the Wade Hampton area and 40% in Bethel. By contrast, in urban areas such as Anchorage, Fairbanks and Juneau, local government represents 10% or less of total employment.

In eight sparsely populated census areas local government employment represents 25% or more of the area's total employment.

Thus far local government employment losses have been small. In 1986 when the declines began, local government employment fell by less than one half of one percent. Losses, however, accelerated in 1987. For the first half of the year, local government employment fell 2% compared to the same period the previous year. This was still significantly better than the overall economy where employment declined by 3.5%.

Rural areas have generally experienced relatively larger local government employment losses. The immediate impact has meant a reduction in services. According to a survey conducted by the Department of Community and Regional Affairs in October, 95% of Alaska's 128 cities have had to reduce at least one service. In response to the consequences of falling local government revenues, the governor recently proposed a special aid program to provide at least some economic relief to 18 financially strapped villages in the state.

The economic impact of lost jobs has possibly been more important than

the reduction in services, particularly in the rural areas of the state. Local government is partially, and in many cases almost entirely, funded by state funds and is therefore, in an economic sense, a "basic" industry to many local communities. The average monthly earnings of a local government employee in 1986 was 12% above the statewide average earnings. Therefore, a job lost in local government has a sizeable impact on a community's economy. Though the losses have been small thus far, any loss in today's economy exacerbates an already tenuous situation.

In rural Alaska, where local government's economic role is so crucial, employment losses will, of course, be felt more. Most of rural Alaska already suffers from a scarcity of job opportunities, high unemployment and low incomes. Few of these communities have a tax base which could be used to replace lost state revenue. Local government in past years has also been the principal source of growth for many of these economies, which means the future prospects for growth in rural Alaska may be poor unless other sources of economic growth are found.

Local Education

Providing education is local government's single largest task in terms of money and jobs. In most communities around the state the school district is the single largest employer within the local government sector.

During the State Fiscal Year (SFY) 1987 (July 1 1986 to June 30, 1987), Alaskans spent nearly $700 million dollars to operate schools in over 55 school districts around the state and employed over 16,000 teachers, bus drivers, janitors, and other school staff (Table 3). That works out to be over $6,700 per student and one job for every 6.2 children enrolled in public schools. These ratios, however, vary considerably among school districts because of the high cost of operating in rural areas and economics of scale or size of the larger dis-

Table 3
Local Government Education Employment by Census Area
1980-1987

	1980	1981	1982	1983	1984	1985	1986	First Half 1986	First Half 1987	Percent Change 1980-1986	Percent Change First Half 1986-1987	Percent of Total 1986
Aleutian Islands	223	248	275	282	295	274	250	287	251	12.1	-12.6	1.7
Anchorage Borough	3,885	4,024	3,922	4,265	4,059	4,483	4,480	5,211	5,576	15.3	7.0	29.8
Bethel	618	646	702	804	832	942	927	1,001	1,074	50.0	7.3	6.2
Bristol Bay Borough	176	191	202	237	305	219	217	275	243	22.8	-11.6	1.4
Dillingham	241	267	291	293	302	293	293	335	321	21.5	-4.1	1.9
Fairbanks North Star Borough	1,112	1,156	1,316	1,322	1,470	1,426	1,436	1,656	1,489	29.2	-10.1	9.6
Haines Borough	56	61	68	63	72	73	67	75	67	19.4	-9.8	0.4
Juneau Borough	378	417	415	417	465	520	490	570	510	29.7	-10.6	3.3
Kenai Peninsula Borough	750	819	850	919	987	1,081	1,016	1,120	1,233	35.3	10.0	6.8
Ketchikan Gateway Borough	365	432	402	409	423	475	422	477	452	15.4	-5.4	2.8
Kobuk[1]	381	537	647	419	421	456	450	503	390	18.1	-22.5	3.0
Kodiak Island Borough	359	350	325	311	335	339	386	470	324	7.6	-31.1	2.6
MatSu Borough	621	644	705	809	926	1,044	1,198	1,332	1,211	93.1	-9.1	8.0
Nome	286	330	362	431	497	526	519	581	557	81.5	-4.2	3.5
North Slope Borough	332	378	361	451	484	437	480	479	507	44.7	5.9	3.2
Prince of Wales-Outer Ketch	117	153	150	168	173	179	161	193	183	37.5	-5.3	1.1
Sitka Borough	195	201	198	196	201	212	209	226	199	7.3	-12.1	1.4
Skagway-Yakutat-Angoon	182	181	187	170	172	191	198	230	222	8.6	-3.3	1.3
Southeast Fairbanks	213	231	258	230	230	242	236	282	229	10.9	-18.7	1.6
Valdez-Cordova	330	352	385	362	357	363	343	371	366	4.0	-1.4	2.3
Wade Hampton	340	305	357	367	390	413	441	486	464	29.6	-4.5	2.9
Wrangell-Petersburg	181	198	187	179	195	185	194	224	189	7.2	-15.4	1.3
Yukon-Koyukuk	557	509	540	601	653	657	606	709	630	8.8	-11.1	4.0
State Total	11,899	12,628	13,105	13,707	14,239	15,032	15,018	17,092	16,685	26.2	-2.4	100.0

[1] Now the Northwest Arctic Borough

Note: The trends for the first half of 1986 to the first half of 1987 may not be accurate because of reporting errors in Anchorage and Kenai Peninsula census areas. The numbers for these school districts most likely declined.

tricts. An example of a low ratio is the Anchorage School District which spends around $3,600 per student and has one job for every 10 students in its area. On the high end is the Bristol Bay School District which spends over $10,000 per student and has about one job for every 3.9 student.

To support their schools, school districts receive revenues from three sources. The largest share comes from state funds, followed by local funds, and then by federal aid. In 1987, these sources of funds were 67%, 25% and 8% respectively for the state as a whole. However, revenue sources vary from school district to school district. For example, of the 60 or so school districts around the state less than half received revenues from local taxes in SFY 1987. These were among the smallest and most remote school districts. Those school districts receiving local tax funds were within organized boroughs and/or contain first class cities which have a local tax base.

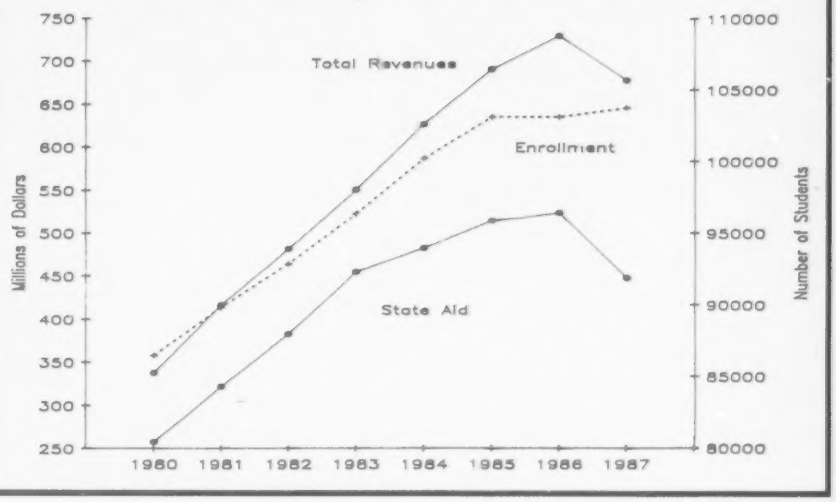
Of the school districts which receive local taxes, anywhere from less than 5% to 50% of their revenues are generated from local taxes. The proportion that is paid locally depends upon the size and type of local tax base. For example, the North Slope and Valdez school districts received approximately 50% of their total operating budgets from local taxes because of their large oil industry tax base.

Generally education funds are enrollment dependent. That is, as the number of students increase the amount of funds allocated to education increases (Figure 2). Employment levels in local education are also primarily enrollment induced, yet inseparable from revenues. Although the number of students increased in the 1986/87 school year, the amount of funds did not increase because of a decline in the amount of state funds available and the inability of communities to make up the difference.

During the 1980s one education job was added for every five additional students enrolled in school. School employment increased from 11,900 to 15,032 as school enrollment increased from 86,500 to over 103,800 from 1980 to 1985. Student enrollment, however, remained fairly stable

Figure 2

Total Revenues and State Aid to School Operating Fund and Enrollment, SFY 1980–1987



in 1986 and decreased slightly in 1987 as the number of education jobs fell by 2.5% as school districts adjusted to cutbacks in funding. Indeed, many school districts anticipated even further cutbacks in employment, but the enrollment figures were greater than forecasted and many school districts recalled teachers that had been laid off. At the same time programs were being reduced or even eliminated.

Local Noneducation Employment

Besides providing public education to the children of a community, local governments provide a vast array of other services ranging from public health and safety to recreation. During the early 1980s employment in these and other services grew faster than in the education component.

In 1980 there were approximately 48 Alaskans for every local noneducation government job and by 1986 this had fallen to 44 to one, indicating that the growth was more than population driven (Table 4). The key was the enormous increase in the amount of financial aid to communities in the form of revenue sharing, municipal assistance, and shared taxes that are collected by the state.

From 1980 to 1982 state operating aid to municipalities increased from $45 million to over $151 million.

During the 1980s one education job was added to every five additional students enrolled in school.

Table 4
Local Government Noneducational Employment by Census Area
1980-1987

	1980	1981	1982	1983	1984	1985	1986	First Half 1986	First Half 1987	Percent Change 1980-1986	Percent Change First Half 1986-1987	Percent of Total 1986
Aleutian Islands	114	131	156	184	235	289	319	317	319	178.9	0.5	2.3
Anchorage Borough	3,185	3,207	3,369	3,596	3,801	4,037	3,984	3,945	3,891	25.1	-1.4	29.3
Bethel	329	416	535	596	608	608	617	575	557	87.3	-3.0	4.5
Bristol Bay Borough	44	57	44	44	64	75	79	77	73	79.1	-4.6	0.6
Dillingham	77	72	123	144	176	208	216	221	199	180.2	-10.2	1.6
Fairbanks North Star Borough	826	865	938	986	1,095	1,149	1,117	1,132	1,068	35.3	-5.6	8.2
Haines Borough	68	49	52	51	63	77	100	91	111	48.3	22.6	0.7
Juneau Borough	602	647	687	758	858	907	893	918	828	48.5	-9.7	6.6
Kenai Peninsula Borough	438	403	497	607	704	789	869	825	856	98.4	3.8	6.4
Ketchikan Gateway Borough	330	344	366	486	495	470	467	463	463	41.8	0.0	3.4
Kobuk 1/	225	187	258	318	417	445	412	383	318	83.0	-17.1	3.0
Kodiak Island Borough	186	192	208	277	307	311	314	320	295	68.9	-7.6	2.3
MatSu Borough	205	211	214	226	289	347	361	357	349	76.2	-2.4	2.7
Nome	225	245	304	362	472	541	469	421	426	108.1	1.2	3.4
North Slope Borough	785	803	923	976	971	966	1,052	952	1,181	34.1	24.1	7.7
Prince of Wales-Outer Ketch	294	324	301	286	342	475	412	347	283	40.2	-18.4	3.0
Sitka Borough	171	174	175	192	219	228	226	226	223	32.2	-1.4	1.7
Skagway-Yakutat-Angoon	129	118	144	178	217	190	178	174	167	37.6	-4.2	1.3
Southeast Fairbanks	11	12	20	27	39	39	42	38	40	276.7	6.1	0.3
Valdez-Cordova	238	257	267	318	284	307	288	292	281	20.7	-4.0	2.1
Wade Hampton	131	188	236	258	396	417	386	366	325	194.8	-11.2	2.8
Wrangell-Petersburg	218	212	259	267	296	326	330	321	324	51.6	0.9	2.4
Yukon-Koyukuk	201	245	367	408	518	498	474	442	404	136.4	-8.6	3.5
State Total	9,030	9,360	10,442	11,543	12,867	13,698	13,604	13,200	12,981	50.6	-1.7	100.0

[1] Now the Northwest Arctic Borough

Although the funds fell slightly in 1983 and 1984, by 1985 the aid again amounted to $151 million. Employment increased nearly 50% from 1980 to 1985 before succumbing to revenue declines in the last half of 1986 (the beginning of SFY 1987) as state aid fell from $151 million to $116. As was the case with local education the communities were unable to make up the difference, thus cutting services and reducing employment levels to accommodate declining revenues.

Conclusion

Local government, a primary employer in many areas of the state, like all segments of Alaska's economy has had to reduce employment to accommodate a reduction in revenues. Combined with falling revenues the demand for some services has declined because of population and business declines.

The noneducation component of local government had employment levels grow faster from 1980 to 1985 and fell harder in 1986 and 1987 than the education component partly because the number of children enrolled in school around the state has not been drastically altered by the current recession and wave of out-migration.

It is likely that the education component will decrease in the near future because of the apparent decline in the number of school age children recently. As the state adjusts to spending less revenues, communities that can support a tax base will have to pay a larger share of the cost while local governments unable to generate local revenues will remain particularly sensitive to state revenues.

Employment and Earnings in Local Government

By Jeff Hadland

In 1986, local governments in Alaska paid out nearly $900 million in wages to their employees. Neither federal nor state government infused more money into Alaska's economy through wages. No single private sector industry paid out more. Local government employed a monthly average of nearly 29,000 workers during this period, more than either federal or state government.

Local governments have benefited from the large amount of state revenues available for schools, revenue sharing, capital projects and other local programs. With the decline of oil prices and state revenues this loss of funds has hit many local communities hard. The direct and indirect impact of local government is a significant part of every community's economic base. Even with the declines in revenue sources, anticipated declines in employment, and keener competition for jobs; local government job openings should be examined by the jobseeker.

Table 1
Top 40 Alaska Local Government Entities (Excluding Education) in 1986
Average Monthly Employment, Average Annual Earnings and Total Payroll
Ranked By Total Payroll

Rank	City or Borough	Average Monthly Employment	Average Annual Earnings	Total Payroll
1	Anchorage Municipality	3,933	$43,780	$172,191,000
2	North Slope Borough	952	46,140	43,925,004
3	Juneau City and Borough	831	27,340	22,712,478
4	Fairbanks Municipal Utilities	340	44,285	15,057,000
6	Fairbanks	260	49,634	12,917,343
6	Fairbanks North Star Borough	399	28,701	11,444,459
7	Ketchikan	308	34,935	10,768,597
8	Kenai Peninsula Borough	287	27,309	7,828,492
9	Mat-Su Borough	150	34,040	5,111,653
10	Annette Island Canning Co.[1]	257	18,057	4,640,785
11	Valdez	140	32,463	4,539,396
12	Kodiak	153	25,120	3,839,243
13	Sitka City and Borough	110	34,183	3,751,635
14	Bethel	125	29,696	3,704,551
15	Kenai	114	28,836	3,284,894
16	Homer	100	28,592	2,849,707
17	Kotzebue	95	27,069	2,564,790
18	Petersburg	97	26,460	2,562,219
19	Unalaska	65	35,126	2,265,640
20	Seward	61	34,496	2,095,662
21	St. Paul	76	26,285	1,991,107
22	Kodiak Island Borough	60	31,798	1,891,961
23	Ketchikan Gateway Borough	63	29,085	1,842,074
24	Palmer	57	31,743	1,806,707
25	Soldotna	44	39,829	1,732,572
26	Wrangell	59	27,349	1,611,339
27	Nome	42	37,042	1,555,770
28	Cordova	51	30,327	1,536,577
29	Dillingham	43	28,532	1,217,360
30	Hoonah	39	28,649	1,117,321
31	Galena	38	26,019	999,553
32	Sand Point	40	24,258	978,395
33	Bristol Bay Borough	29	33,066	942,394
34	North Pole	26	35,102	895,090
35	Haines	25	27,623	690,582
36	Craig	45	14,298	644,590
37	Barrow	19	34,309	643,301
38	Whittier	25	24,777	615,297
39	St. George	24	25,013	606,559
40	Wasilla	25	23,816	605,313

[1] The Annette Island Canning Company is owned and operated by the Metlakatla Indian Community.

Source: Alaska Department of Labor, 202 file.

Table 1 shows Alaska's "top 40" local government entities (excluding schools) as identified on the Alaska Department of Labor tax file. Anchorage is, of course, the largest single local government entity in the state paying well over $170 million in wages and employing a monthly average of nearly 4,000 workers in 1986. The North Slope Borough was, surprisingly, the second largest local government in Alaska. Overall, wages paid to employees of local governments, excluding education, amounted to approximately $400 million in 1986.

Average wages paid to local government workers are an indication of individual earnings but are affected by the number of different employees that work during the year. A large number of part-time, seasonal or temporary workers can reduce the average annual earnings figure while a full-time, stable employee base will necessarily increase the average annual earnings.

Local government entities provide different geographic and service coverage. Some cover cities, others boroughs, and some combine both. Services such as utilities and social programs are provided by some city or borough employees but either may be handled by specialized agencies or contracted out. Occasional, activities typically found in the private sector such as fish canning or construction are conducted by local governments. The occupational mix to provide these different types of services affects the average annual earnings shown in Table 1.

Local Education

The largest sector of local government in Alaska is education. Local schools in Alaska paid out nearly $500 million in wages in 1986 to teachers, administrators and support staff. Table 2 shows Alaska's "top 40" local school districts. Anchorage, Fairbanks, Kenai and Mat-Su were the largest school districts in terms of both wages and employment. Average monthly employment figures are calculated based only on the months

Table 2
Top 40 Alaska School Districts in 1986
Average Monthly Employment, Average Annual Earnings and Total Payroll
Ranked By Total Payroll

Rank	School District	Average Monthly Employment	Average Annual Earnings	Total Payroll
1	Anchorage School District	4,480	$35,736	$160,077,304
2	Fairbanks North Star Schools	1,436	39,991	57,437,300
3	Kenai Peninsula Borough Schools	1,016	34,141	34,675,555
4	Mat-Su Borough Schools	1,198	28,813	34,522,964
5	Lower Kuskokwim School District	679	32,740	22,236,204
6	Juneau School District	490	39,190	19,215,968
7	North Slope Borough Schools	480	39,068	18,752,636
8	Northwest Arctic Borough Schools	450	29,022	13,057,602
9	Lower Yukon School District	359	28,973	10,411,125
10	Kodiak Island Borough Schools	386	26,679	10,302,722
11	Bering Strait School District	372	27,546	10,249,362
12	Ketchikan Gateway Boro Schools	286	34,708	9,938,058
13	Sitka Borough School District	209	34,022	7,122,013
14	Valdez City Schools	141	36,410	5,142,926
15	Southwest Region Schools	189	26,630	5,041,997
16	Yukon Koyukuk School District	156	29,667	4,613,230
17	Nome Public Schools	147	30,893	4,528,459
18	Delta/Greely School District	124	34,958	4,329,017
19	Kuspuk School District	146	27,876	4,074,531
20	Lake & Peninsula School District	159	24,015	3,824,424
21	Iditarod Area School District	141	26,068	3,686,416
22	Yukon Flats School District	123	29,382	3,606,601
23	Dillingham City School District	103	32,863	3,393,062
24	Alaska Gateway Schools	113	28,122	3,163,738
25	Copper River School District	94	32,486	3,059,065
26	Southeast Island School District	135	21,945	2,969,844
27	Adak Region Schools	98	25,432	2,479,621
28	Railbelt School District	68	33,729	2,282,362
29	Petersburg School District	76	29,545	2,255,243
30	Wrangell Public Schools	72	31,313	2,246,730
31	Annette Island School District	70	31,021	2,166,298
32	Yupiit School District	102	21,186	2,155,699
33	Haines Borough School District	67	31,921	2,141,351
34	Cordova School District	77	27,748	2,134,279
35	Chatham School District	92	20,957	1,926,320
36	Bristol Bay Borough School	57	28,537	1,636,131
37	Galena City School District	39	37,138	1,439,094
38	Nenana City Public Schools	47	30,527	1,429,663
39	Kashunamiut School District	43	32,598	1,393,557
40	Kake City School District	46	28,930	1,330,802

Source: Alaska Department of Labor, 202 file.

in which the individual received wages. This tends to reduce the average monthly employment figure and, by definition, increase the average annual earnings from that expected if all employees in the school districts worked twelve months. Of course, some school districts may rely more heavily upon part-time and temporary workers making interarea comparisons less meaningful.

Occupations in Local Government

Each year Research and Analysis publishes an occupational employment forecast. Our most recent local government employment forecast results are highlighted in Table 3. The forecast is generated using occupational staffing patterns of local government entities and estimates of change in total employment during the forecast period.

According to our most recent survey of noneducational local governments, police officers, fire fighters, secretaries and clerk typists are the largest single occupational categories. We estimate that in 1986 there were about 700 police officers working for local governments in Alaska representing over six percent of total noneducational local government employment. Other occupations employing a large number of workers include recreation workers, mechanics, bookkeeping and accounting occupations, construction, and maintenance workers. Unfortunately, virtually all occupational categories are slated for employment declines during the next five years. However, there will still be a large number of local government workers and a significant number of employment opportunities in this sector.

Table 3
Top 40 Occupations in Local Government (Excluding Education)
Alaska 1986 and 1991

Rank	OES Occupation Title	1986 Employment	1991 Employment	Percent of 1986 Local Government Employment
1	Police Patrol Officers	700	613	6.29
2	Fire Fighters	573	502	5.15
3	Secretaries	298	261	2.68
4	Typists	278	244	2.50
5	Recreation Workers	250	219	2.25
6	All Other Mechanics & Repairers	237	208	2.13
7	Supervisors/Managers: Clerical/Admin Sup	233	204	2.09
8	Bookkeeping, Acctg, & Auditing Clerks	225	197	2.02
9	All Other Construction Wkrs, Ex Helpers	221	194	1.99
10	Maintenance Repairers: General Utility	213	187	1.91
11	Water/Liquid Waste Treatment Plant Opers	211	185	1.90
12	Dispatchers: Police, Fire, & Ambulance	209	183	1.88
13	Switchboard Operators	207	181	1.86
14	Customer Service Reps: Utilities	206	181	1.85
15	Supervisors: Mechanics/Installers/Repair	203	178	1.82
16	Truck Drivers: Heavy or Tractor Trailer	178	156	1.60
17	Civil Engineering Technicians/Technologists	173	152	1.55
18	Librarians: Professional	164	144	1.47
19	Bus Drivers	157	138	1.41
20	Refuse Collectors	155	136	1.39
21	All Other Helpers/Laborers/Material Movers	154	135	1.38
22	Public Admin Chief Execs/Legislators/Gen	145	127	1.30
23	Municipal Clerks	137	120	1.23
24	Communication/Transport/Utilities Mgrs	137	120	1.23
25	All Other Clean/Bldg Svc Wkr, Ex Private	136	119	1.22
26	Fire Fighting & Prevention Supervisors	135	118	1.21
27	Emergency Medical Technicians	131	115	1.18
28	Operating Engineers	127	111	1.14
29	Police & Detective Supervisors	125	110	1.12
30	General Managers & Top Executives	120	105	1.08
31	General Office Clerks	116	102	1.04
32	All Other Plant & System Operators	114	100	1.02
33	Electrical & Electronic Engineers	114	100	1.02
34	Urban & Regional Planners	112	98	1.01
35	Accountants & Auditors	109	96	0.98
36	Highway Maintenance Workers	103	90	0.93
37	Gardeners & Groundskeepers, Ex Farm	102	89	0.92
38	All Other Protective Service Workers	100	88	0.90
39	Civil Engineers	98	86	0.88
40	Library Assistants & Bookmobile Drivers	97	85	0.87

Source: Alaska Industry-Occupational Outlook, Alaska Department of Labor, 1987.